

Dianne R. Nielson, Ph.D.

Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

M/047/013

	/ 1
Date: DECEMBER 23, 1992	
Number of Pages Including This Cover Sheet:	_5
TO: WILLIAM J. HYLAND	
VICE PRESIDENT FINANCE	
ZIEGLER CHEMICAL & MINE	ERAL CORP.
100 JETZICO QUADRANGLE	, JERICHO, N.Y.
Phone: (Fax) (516) 681-9604	
FROM: D. WAYNE HEDBERG	
Minerals Reclamation and Developmen	nt Program
Phone: (801) 538-5340	
FAX: (801) 359-3940	
SUBJECT: IRREVOCABLE LETTER OF	CREDIT
(REQUIRED FORMAT)	
REMARKS: SPOKE WITH NORMAN HAS	OF FM THIS AFTERNOON)
ABOUT PROBLEM WITH EX	
DOESN'T MEET CURRENT F	
BY OUR BOARD. PLEAS	
IF YOU HAVE QUESTIONS BO	FFORE JAN 4TH/92
Should you encounter any problems with this	copy, or do not receive
all the pages, please	call

MN9/61

Letter of Credit No.	Issuing Bank/Surety	
Date:	Expiration Date	
UTAH DIVISION OF OIL, GAS AND MINING 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203		
Gentlemen and Ladies:		
1.	[Name of Bank or Sur	rety], ("Surety or Bank")
[city/	state], hereby establishes this ir	rrevocable letter of credit
(the "Letter of Credit") in favor of the Utah Division of C	oil, Gas and Mining ("Division")) for an aggregate amount
not to exceed \$	[reclamation cost estimate	e] in United States dollars
("Face Amount") effective immediately.		
2. This Letter of Credit will expire upon the fi	rst event set forth as follows: (a	a) 5:00 o'clock p.m. (Salt
Lake City time) on[[expiration date] or (b) the date	te upon which sufficient
documents are executed by the Division to release	("Operator") from further
liability for reclamation of the	[mine]	[mine permit #]
with notice to Bank or Surety by the Division accompan-	nied by the original Letter of C	Credit with directions for
3. This Letter of Credit will be automatically ex	tended for successive periods of	one year from the current
or any future expiration date unless the Surety or Bank gi	ves notice to the Division 90 da	ays prior to the expiration
date that the Surety or Bank elects not to renew the Lette	er of Credit.	
4. Funds under the Letter of Credit are available	e against the Division's sight dra	aft, in the form of Exhibit
A, specifying Letter of Credit No.	delivered to the office	of the Surety or Bank,
	[address]. Atth	ne Division's sole election,

the Division may present sight drafts for less than the Face Amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.

- 5. If the Surety or Bank receives the Division's sight draft(s) and certificate(s) as provided in Paragraph No. 4 above on or before the expiration or termination of this Letter of Credit, the Surety or Bank will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No. 4 of this Letter of Credit, available to the Division no later than the close of business, Salt Lake City time, on the second business day following the Surety's receipt of the sight draft and certificate and in such a manner as the Division may specify.
- 6. The Surety will give prompt notice to the operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Surety's charter or license to do business.
- 7. The Letter of Credit will be governed by the laws of the State of Utah and shall be subject to the Uniform Customs and Practice for Documentary Credit, 1983 revision, International Chamber of Commerce Publication No. 400, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Utah law and the UCP, Utah law shall govern.

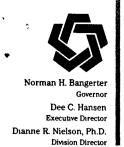
			[address], referencing Letter of
Credit No.	·		
		Very truly yours,	
		The Surety/or Bank	
		Ву:	

Title of Authorized Officer:

EXHIBIT A

Date	City, County Letter of Credit No
PAY TO OURSELVES *	DOLLARS
TO: Utah Division of Oil, Gas and Mining 3 Triad Center, Suite 350	
Salt Lake City, Utah 84180-1203	
	The Utah Division of Oil, Gas and Mining
	Authorized Signature

^{*}By wire transfer in United States dollars to: The Division of Oil, Gas and Mining.



State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

EXHIBIT B

Ι,		_a duly authorized	representative of the Utah Divisi	ion
of Oil, Gas and Mining, her	reby certify that (1) the drawing i	n the amount of \$_	, by sig	ght
draft accompanying this cer	tificate, under Letter of Credit N	To	dated	
issued by you is permitted	under the provision of the Letter	of Credit, (2) the	Letter of Credit has neither expir	red
nor terminated pursuant to	its terms, and (3) the amount of	the sight draft, to	gether with any amounts previous	sly
drawn under the Letter of (Credit, does not exceed the Face	Amount. Proceed	ls of this drawing will be utilized	in
full to pay the expenses rela	ating to the reclamation liability	for the		
[mine],	[mine permit #].			
		The Utah Division	on of Oil, Gas and Mining	
		By: Authorized Si	gnature	
			,	
		Date		

3:Lettofer

***************** ** TRANSMIT CONFIRMATION REPORT ** * Journal No. : 010 * Receiver : 15166819604 * Transmitter : DIV OIL GAS & MINING * Date : Dec 23.92 16:01 * Document : 05 pages

Mode : G3 NORMAL Result : OK

Time

M/047/013